

# Maurice Hinchey NEWS

## 26<sup>TH</sup> CONGRESSIONAL DISTRICT, NEW YORK

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### **HINCHEY CALLS FOR PROTECTION OF INVESTORS' AND EMPLOYEES' RIGHTS**

KINGSTON - U.S. Representative Maurice Hinchey (NY-26) today called for empowering federal regulators to root out corporate corruption and for imposing stiffer penalties for executives who commit fraud. Speaking at a press conference, Hinchey blamed lax federal regulations and permissive government agencies for creating an atmosphere in which corporate misdeeds have been allowed to hurt thousands of investors and workers.

"Starting with the so-called 'Contract with America', Republicans in Congress and now in the White House have systematically dismantled many of the safeguards that protected investors and workers from the dishonest acts of corporate executives," said Hinchey. "As a result we now have a legal and regulatory climate that has resulted in thousands of Americans losing their hard earned savings and caused a crisis of confidence in our markets."

Hinchey provided details of actions taken by Republican leaders in Washington since 1995 that have limited executives' liability and restrained the federal government's ability to uncover illegalities. He also explained measures he supports that would close loopholes to more fully establish unethical practices as crimes, provide additional tools for uncovering corruption, and impose stiffer penalties for fraudulent acts.

"We are seeing the consequences of widespread deregulation and now everyone wants to be on record supporting stiffer penalties," Hinchey added. "But criminal penalties are worthless unless you establish the underlying crimes and give prosecutors the ability to uncover them."

Hinchey also took President Bush and his administration to task for contributing to the climate of corporate corruption.

"Speculation abounds about the conduct of President Bush, Vice President Cheney and Secretary of the Army Thomas White," Hinchey said. "The president further weakened his credibility by appointing an SEC Chairman who worked on behalf of the accounting industry to weaken investor protections."